

Senate Study Bill 3232 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON BOLKCOM)

A BILL FOR

1 An Act providing an Iowa individual income tax checkoff for an
2 American red cross natural disaster relief fund for Iowa
3 chapters, making an appropriation, providing for the Act's
4 implementation, and including effective date and retroactive
5 applicability provisions.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. **29C.8B American red cross natural**
2 **disaster relief fund for Iowa chapters.**

3 1. An American red cross natural disaster relief fund for
4 Iowa chapters is created in the office of the treasurer under
5 the control of the homeland security and emergency management
6 division of the department of public defense. The fund is
7 composed of moneys appropriated or available to and obtained
8 or accepted by the treasurer of the state for deposit in the
9 fund. The fund shall include moneys transferred to the fund
10 as provided in section 422.12F, and moneys in the form of a
11 devise, gift, bequest, donation, or federal or other grant
12 intended to be used for the purposes of the fund.

13 2. Notwithstanding section 12C.7, subsection 2, all
14 interest or earnings on moneys in the fund shall be credited to
15 and remain in the fund. Section 8.33 does not apply to moneys
16 in the fund.

17 3. Moneys in the fund that are authorized by the division
18 for expenditure are appropriated, and shall be used, for annual
19 distributions to Iowa chapters of the American red cross
20 solely for the purposes of natural disaster relief within the
21 state. Natural disaster relief includes but is not limited to
22 emergency food, shelter, and clothing for victims of a natural
23 disaster.

24 Sec. 2. NEW SECTION. **422.12F Income tax checkoff for**
25 **American red cross natural disaster relief fund for Iowa**
26 **chapters.**

27 1. A person who files an individual or a joint income tax
28 return with the department of revenue under section 422.13 may
29 designate one dollar or more to be paid to the American red
30 cross natural disaster relief fund for Iowa chapters as created
31 in section 29C.8B. If the refund due on the return or the
32 payment remitted with the return is insufficient to pay the
33 additional amount designated by the taxpayer to the American
34 red cross natural disaster relief fund for Iowa chapters, the
35 amount designated shall be reduced to the remaining amount of

1 refund or the remaining amount remitted with the return. The
2 designation of a contribution to the American red cross natural
3 disaster relief fund for Iowa chapters under this section is
4 irrevocable.

5 2. The director of revenue shall draft the income tax form
6 to allow the designation of contributions to the American red
7 cross natural disaster relief fund for Iowa chapters on the
8 tax return. The department of revenue, on or before January
9 31, shall transfer the total amount designated on the tax
10 return forms due in the preceding calendar year to the American
11 red cross natural disaster relief fund for Iowa chapters.
12 However, before a checkoff pursuant to this section shall be
13 permitted, all liabilities on the books of the department of
14 administrative services and accounts identified as owing under
15 section 8A.504 and the political contribution allowed under
16 section 68A.601 shall be satisfied.

17 3. The homeland security and emergency management division
18 may authorize payment of moneys from the American red cross
19 natural disaster relief fund for Iowa chapters in accordance
20 with section 29C.8B.

21 4. The department of revenue shall adopt rules to administer
22 this section.

23 5. This section is subject to repeal under section 422.12E.

24 Sec. 3. IMPLEMENTATION. The income tax checkoff created
25 in this Act shall be eligible for placement on the individual
26 income tax return form beginning for the tax year commencing
27 January 1, 2010, provided the conditions for placement on the
28 return form set out in section 422.12E are met.

29 Sec. 4. RETROACTIVE APPLICABILITY. The section of this Act
30 enacting section 422.12F applies retroactively to January 1,
31 2010, for tax years beginning on or after that date.

32 Sec. 5. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
33 immediate importance, takes effect upon enactment.

34 EXPLANATION

35 This bill provides that taxpayers filing individual or joint

1 income tax returns will be allowed to designate \$1 or more on
2 the return form to be paid to the American red cross natural
3 disaster relief fund for Iowa chapters. The bill creates the
4 fund in the office of the treasurer under the purview of the
5 homeland security and emergency management division of the
6 department of public defense. The bill requires the department
7 of revenue to annually remit moneys collected from the checkoff
8 to the fund. Moneys in the fund shall be used solely for the
9 purposes of natural disaster relief within the state. Natural
10 disaster relief includes but is not limited to emergency food,
11 shelter, and clothing for victims of a natural disaster.

12 The bill provides that the checkoff is eligible for
13 placement on the individual income tax return form for the tax
14 year beginning January 1, 2010, and is subject to repeal under
15 Code section 422.12E.

16 The bill is effective upon enactment. The section of the
17 bill enacting the income tax checkoff applies retroactively to
18 January 1, 2010, for tax years beginning on or after that date.